

V. Remarks

A. Administrative

Applicant notes that the Office Action indicates the attorney docket number to be 47004.000022. Applicant requests that future actions be issued under 47004.000067, which is the existing docket number for this case

B. Claim Amendment

Applicant has canceled claims 1-13 and 16-28 without waiver or disclaimer. Applicant presents new claims 29-59.

C. The Rejections

1. First Rejection [§ 112(2)]

Regarding claims 17-28, as requested by the Examiner, Applicant confirms that these claims reciting a system were intended to be considered as apparatus claims. However, these claims have been canceled, thereby mooting this rejection.

2. Second Rejection [§ 101]

In the first rejection, the Examiner has rejected method claims 1-16 under § 101 because “they do not claim a technological basis” in the body of the claim. See Office Action at page 3, par. 6. Claims 1-13 and 16 have been canceled, so the rejection is mooted as to all claims except claims 14-15.

Applicant respectfully traverses this rejection which has no basis under 35 U.S.C. § 101. It is well established that § 101 requires that (1) the invention have utility or operativeness and (2) the invention falls within one of the proper subject matter categories (process, machine, article of manufacture, and composition of matter).

The Examiner's rejection does not claim that the present invention has no utility-- which it clearly does. Regarding subject matter category, the invention of claims 14-15 is recited as a "method," which plainly falls within the ambit of the "process" category set forth in § 101.

MPEP § 706.03(a), which governs rejections under § 101, provides no support for the this rejection. MPEP § 706.03(a) provides that rejections under § 101 may be made for the following reasons: nonstatutory subject matter (printed matter, naturally occurring article, scientific principle), lack of utility, and inoperativeness. None of these apply here.

Applicant is unaware of any requirement imposed by the Patent Statute or controlling precedent requiring an Applicant to recite structure in a method claim. However, Applicant believes that the fact that each of claims 14-15 (as well as the newly added claims) are recited as a "computerized" method moots the issue. A method implemented with computers clearly has a "technological basis."

Applicant respectfully requests that the rejection under § 101 be withdrawn.

2. Third Rejection [§ 103 based on Fernandez-Holmann]

In the third rejection, claims 1-7 and 9-12 are rejected under § 103 based on U.S. Pat. No. 5,787,404 ("Fernandez-Holmann"). See Office Action at pages 7-8, par. 7. Applicant has canceled these claims without waiver or disclaimer, and, thus, this rejection is mooted.

3. Fourth Rejection [§ 103 based on Fernandez-Holmann IVO Feidelson]

In the third rejection, the Examiner has rejected claims 8-10 and 13-28 under § 103 based on Fernandez-Holmann in view of U.S. Pat. No. 6,345,261 ("Feidelson"). Applicant

has canceled claims 8-10, 13, and 16-28 without waiver or disclaimer, and, thus, this rejection is mooted as to all claims except claims 14-15. Applicant also presents new claims 29-59. Therefore, Applicant shall focus the remarks on the claims left after entry of the new claims, which are claims 14-15 and 29-59.

Independent Claim 14 and Dependent Claims 15 and 29-36

As amended, claim 14 recites “a credit card account provider establishing a credit card account;” “monitoring the net-purchases . . . and calculating a rebate based on a percentage . . .;” **“issuing a statement to said cardholder including a calculated rebate and an offer to activate and fund an investment fund account with said rebate;”** **“activating said investment fund account upon acceptance of the offer by the cardholder;”** “transferring the rebate to the investment fund account;” and “issuing a statement including information of the value of the investment fund account to said cardholder.”

Applicant respectfully submits that the invention of claim 14 is not taught or suggested by Fernández-Holmann. In particular, Fernandez-Holmann does not teach **“issuing a statement to said cardholder including a calculated rebate and an offer to activate and fund an investment fund account with said rebate”** or **“activating said investment fund account upon acceptance by the cardholder.”**¹

¹ Applicant respectfully points out that the Office Action at page 5 does not assert that either of these features (communication of an offer, or activation upon acceptance of an offer) are taught by Fernandez-Holmann or Feidelson. These features were in the claims as originally presented. Thus, if a further rejection is issued based on new art, Applicant respectfully submits that it should be a non-final office action.

Rather, Fernandez-Holmann merely states that a “credit card issuer 2 provides a credit based account” and a “financial institution 6 establishes an investment fund for the benefit of the credit card holder.” ‘404 Patent, Col. 3, line 63-Col. 4, line 5; see also ‘404 Pat. Col. 4, lines 34-46 (“This process is carried out by first establishing a credit card account with a credit card issuing entity . . . an investment account is established with a financial institution . . .”).

Fernandez-Holmann does not remotely suggest the feature of issuing a statement to an existing credit cardholder advising him/her of a calculated rebate and providing an offer to activate an investment fund account to be funded with the calculated rebate. This beneficial feature enables the credit card company to offer to activate an investment fund account at virtually any time after the credit card has been issued and used. In addition, by presenting the calculated rebate, the credit cardholder is informed of the potential rebate value available, and is thereby incentivized to accept the offer. This feature is simply not taught or suggested by Fernandez-Holmann.

In addition, Fernandez-Holmann does not teach or suggest the feature of activating the investment fund account upon acceptance of the offer by the cardholder. As set forth above, Fernandez-Holmann merely teaches establishing a credit card account and establishing an investment account. There is no suggestion of an offer communicated from the credit card provider, nor of acceptance of such an offer leading to activation of the investment account.

Feidelson is directed to a rebate system where merchants pay rebates into funds based on their customer's purchases. See '261 Patent, Abstract. Feidelson does not teach or suggest the features discussed above.

As amended, dependent claim 15 further provides that the "investment fund account is a new investment fund account established as a result of the credit card account provider requesting the investment account provider to set-up the new investment account." This feature of the credit card provider making a request--after the cardholder has used the card and accumulated a rebate--that the investment account provider set-up a new investment account, is not suggested by Fernandez-Holmann. Fernandez-Holmann merely teaches establishing an investment account when the credit account is established. There is no suggestion of establishing a new investment account after the credit account has been created and after the credit cardholder has used the card to accumulate a rebate.

New claim 29, which depends from claim 14, provides that "the investment fund account is an existing investment fund account [and] acceptance of the offer by the cardholder further comprises designating the existing investment fund account." This additional feature for enabling a cardholder to respond to the offer by designating an existing investment account in response to the offer is not taught by the applied art.

New claim 30, which depends from claim 14, provides that the "rebate accrues according to a first period . . . and wherein the rebate can vest to be applied to an investment account according to a second period, wherein the second period is longer than the first period." This beneficial feature provides an incentive to the cardholder to maintain his account because he/she will see the growth in the accrued rebate, but will

have to maintain his/her account in order to see the benefit of that rebate value when it vests at a later point in time. This features encourages loyalty to both the credit card issuer and the investment account provider. This additional feature is not taught or suggested by the applied art.

New claim 31, which depends from claim 30, provides that the rebate accrues on a monthly basis and vests on a semi-annual or annual basis. This additional feature is not taught or suggested by the applied art.

New claims 32-34, which depend from claim 14, are patentable for at least the same reasons as for claim 14.

New claim 35, which depends from claim 14, provides that “the funding for the rebate is shared between the credit card account provider providing the credit card account and the investment account provider providing the investment fund account.” This feature provides that the investment account provider bear some of the costs in exchange for the benefits it receives in new accounts/additional deposits. This additional feature is not taught by the applied art.

New claim 36, which depends from claim 14, provides that the rebate “percentage is a variable percentage based on cardholder loyalty.” This additional feature is not taught by the applied art.

Independent Claim 37 and Dependent Claims 38-46

New claim 37 is similar to claim 14 and is patentable over the cited art for the same reasons.

New claim 38, which is similar to claim 15, provides that upon acceptance of the offer the new investment account is automatically established. This feature is not taught or suggested by the applied art.

New claim 39 is similar to claim 29 and is patentable over the cited art for the same reasons.

New claim 40 is similar to claim 30 and is patentable over the cited art for the same reasons.

New claim 41 is similar to claim 31 and is patentable over the cited art for the same reasons.

New claims 42-44 are similar to claims 32-34 and are patentable over the cited art for the same reasons.

New claim 45 is similar to claim 35 and is patentable over the cited art for the same reasons.

New claim 46 is similar to claim 36 and is patentable over the cited art for the same reasons.

Independent Claim 47 and Dependent Claims 48-53

New claim 47 is patentable over the cited art for the reasons specifically set forth for claim 30. In particular, the applied art does not disclose a rebate feature for a card payment instrument wherein a rebate based on card usage accrues according to a first, shorter period, and vests to be applied to an investment account according to a second, longer period.

New claim 48 is patentable for the specific reasons set forth for claim 31.

New claims 49-51 are patentable for at least the reasons set forth above for claim 47.

New claims 52 and 53 are patentable for at least the specific reasons set forth above for claims 35 and 36, respectively.

Independent Claim 54 and Dependent Claims 55-59

New claim 54 recites a computerized method including “establishing a partnership between an investment account provider and a card instrument account provider for linking card instrument accounts with investment accounts, further including a rebate program funding investment accounts based on card instrument usage;” “providing to a cardholder a co-branded card instrument with co-branded indicia of the card instrument account provider and the investment account provider;” “linking the card instrument account with an investment account established by the investment account provider in the cardholder’s name;” “calculating a rebate based on card usage . . . and applying the rebate to the investment account.”

Claim 54 is not remotely taught or suggested by the prior art. As set forth above, Fernandez-Holmann merely teaches establishing a credit card account and establishing an investment account. Fernandez-Holman does not teach a partnership between the credit card provider and the investment account provider for a rebate program linking an investment account to a credit card account, nor does this reference teach issuing co-branded cards including indicia of both parties. Fernandez-Holmann simply states that a credit card issuer issues a credit card account, and that an investment account provider issues an investment account--Fernandez-Holmann says nothing regarding a formal

partnership relationship between these parties, how they might coordinate their initiatives such as to provide co-branded card instruments, nor how such an arrangement may provide cross-marketing benefits that make the program significantly more effective. In contrast, Applicant's invention serves a market need ignored by Fernandez-Holmann, which to help investment account providers retain customers and accounts.

Claim 55 further provides, similar to claim 30 above, that the rebate accrual and rebate vesting periods are different, with the vesting period being longer than the accrual period. As set forth for claim 30, this additional feature is not taught or suggested by the applied art.

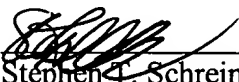
New claims 56-59 are patentable over the cited art for at least the same reasons as claim 54.

VI. Conclusion

Applicant respectfully submits that the application is in condition for allowance and respectfully requests a notice of allowance for the pending claims. Should the Examiner determine that any further action is necessary to place this application in condition for allowance, the Examiner is kindly requested and encouraged to telephone Applicant's undersigned representative at the number listed below.

This response to the Office Action is being filed before the expiration of three (3) months from the date of the Office Action. Therefore, it is believed that no extension fees are required. A check for the new claims is enclosed. If any additional fees are deemed necessary, Applicant hereby provides authorization to charge such fees against deposit account 50-0206. If any refunds are due, Applicant hereby provides authorization to credit such refunds against the deposit account.

Respectfully submitted,



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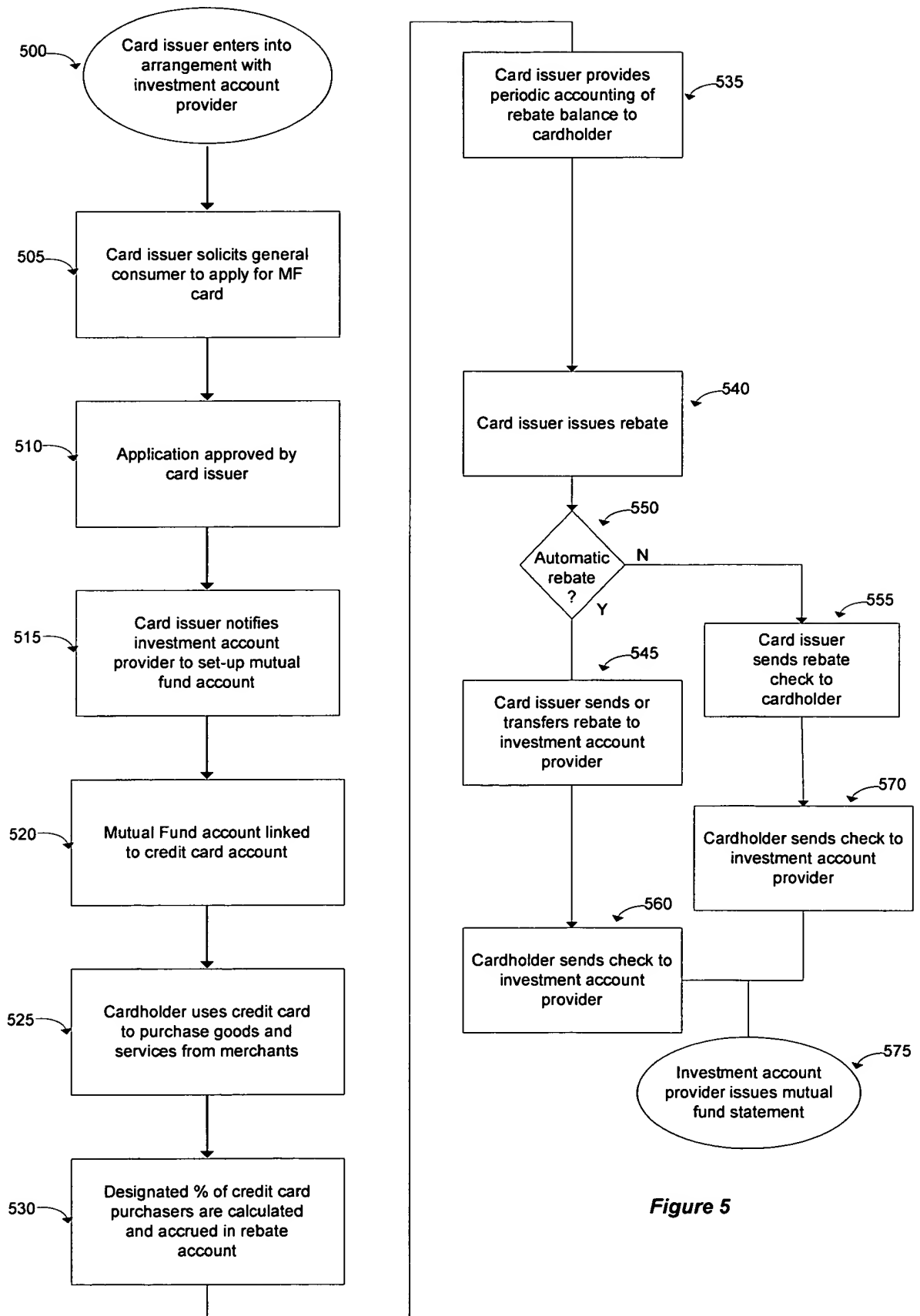


Figure 5

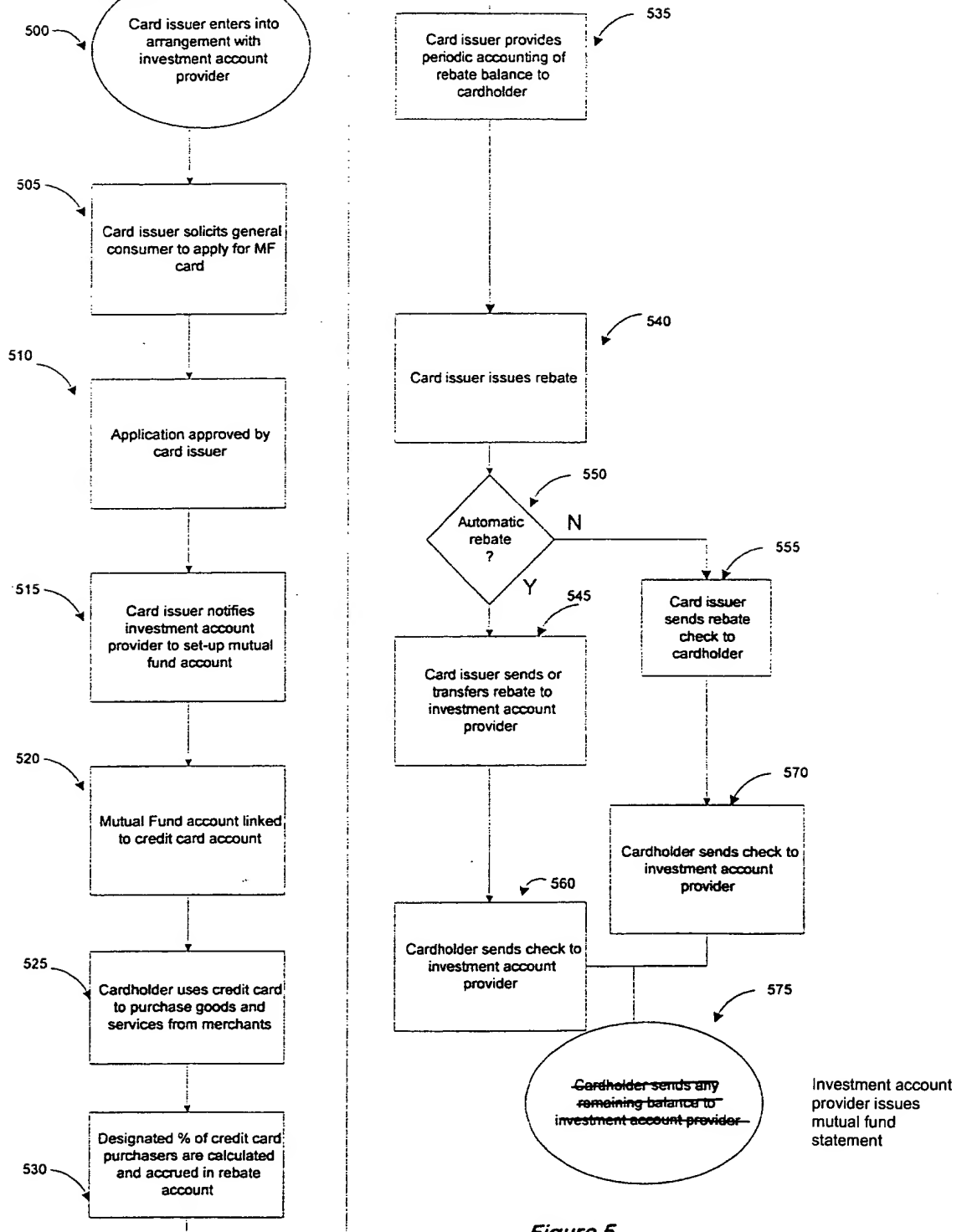


Figure 5